

## Message Text

LIMITED OFFICIAL USE

PAGE 01 MOSCOW 02919 281715Z

71

ACTION EUR-06

INFO OCT-01 ISO-00 EB-05 RSC-01 DRC-01 /014 W

----- 069019

R 281558Z FEB 74

FM AMEMBASSY MOSCOW

TO USDOC WASHDC

INFO SECSTATE WASHDC 6515

LIMITED OFFICIAL USE MOSCOW 2919

COMMERCE FOR BEWT

E.O. 11652: N/A

TAGS: ETRD, EIND, UR US

SUBJ: GEMCOR NEGOTIATIONS

REF: USDOC 2754

1. GEMCOR NEGOTIATIONS WITH AVTOPROMIMPORT FOR SALE OF AUTOMATIC RIVETING LINE FOR KAMAZ WENT WELL AND COMPANY OFFICIALS APPEAR CONFIDENT OF OBTAINING ORDER. MAJOR PROBLEM WHICH AROSE DURING MOSCOW NEGOTIATIONS CONCERNED NEED ADAPT GEMCOR EQUIPMENT TO OVERHEAD CONVEYER SYSTEM WHICH SOVIETS HAVE ALREADY PURCHASED FROM ITALIAN SUBSIDIARY OF WEBB INC. (DETROIT). SOVIETS FINALLY SIAD THEY WOULD HANDLE INTERFACE BETWEEN TWO SETS OF EQUIPMENT, TASK WHICH GEMCOR REPS BELIEVE WILL BE MOST DIFFICULT. CONTRACT COULD BE IN AREA OF \$10-11 MILLION. GEMCOR ESTIMATES TWO-YEAR FABRICATION PERIOD FOLLOWED BY 8-MONTH INSTALLATION. COMPANY REPS PLAN RETURN MOSCOW IN APRIL/MAY FOR NEXT ROUND OF TALKS.

2. EMBASSY ALSO ARRANGED APPOINTMENT FOR GEMCOR REPS AT MINISTRY AVIATION INDUSTRY FOR FOLLOW UP ON DISCUSSIONS HELD IN NEW YORK OCTOBER 1973. SOVIETS APPARENTLY INTERESTED IN PURCHASING ABOUT \$4-5 MILLION WORTH OF AUTOMATIC RIVETING EQUIPMENT TO BE USED IN PRODUCTION OF WIDE-BODIED PASSENGER JET (IL-86) WHICH NOW IN DESIGN STAGE. IN DISCUSSING THIS PROJECT WITH EMBOFF, GEMCOR REP INDICATED AWARENESS THAT

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MOSCOW 02919 281715Z

SOME EXPORT LICENSE PROBLEMS MIGHT ARISE IN CONNECTION WITH

SALE OF GEMCOR EQUIPMENT FOR AVIATION INDUSTRY. HE NOTED, HOWEVER, THAT CONFIGURATION OF EQUIPMENT WOULD MAKE END-USE CLEAR. EMBOFF SUGGESTED THAT GEMCOR RUN THIS PROPOSAL THROUGH COMMERCE BEFORE GOING TOO MUCH FURTHER WITH WOVIENTS.

3. COMMENT: IT IS CURIOUS THAT SOVIETS BEGINNING ONLY NOW SERIOUS NEGOTIATIONS FOR PURCHASE OF MAJOR PIECE OF EQUIPMENT FOR KAMAZ PROJECT, GIVEN FACT THAT MOST WESTERN SUPPLIERS WOULD SPECIFY ESSENTIALLY SAME LEAD-TIMES AS GEMCOR, I.E. EQUIPMENT INSTALLED AND RUNNING ABOUT 3 YEARS FROM TIME CONTRACT SIGNED. THIS MAY WELL INDICATE THAT VOLUME PRODUCTION AT KAMAZ, WHEN AUTOMATIC RIVETING EQUIPMENT WILL BE NEEDED, IS NOT ENVISAGED BEFORE 1977.  
STOESSEL

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CONSTRUCTION EQUIPMENT, PROCUREMENT, CONSTRUCTION, SPARE PARTS, SALES DOCUMENTS, EXPORT LICENSES, JET AIRCRAFT  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 28 FEB 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** morefirh  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974MOSCOW02919  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** MOSCOW  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t1974023/aaaaacet.tel  
**Line Count:** 75  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** USDOC 2754  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** morefirh  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 04 JUN 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <04 JUN 2002 by boyleja>; APPROVED <10 JUN 2002 by morefirh>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** GEMCOR NEGOTIATIONS  
**TAGS:** ETRD, EIND, UR, US  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005